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Central Intelligence Agency

 REGISTRY
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Washington, D.C. 20505

29 JAN 1985

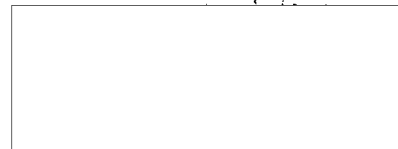
Mr. Frank C. Casillas
 Assistant Secretary for Employment and Training
 Department of Labor
 Washington, D.C. 20210

Dear Mr. Casillas:

We have reviewed your letter, dated 8 January 1985, in which you enclosed an outline designed to minimize improper unemployment compensation payments to Federal employees. This letter is in response to your request for a statement of our activities concerning the Unemployment Compensation for Federal Employees (UCFE) Program.

On 19 February 1981, we received a memorandum from Mr. Bert Lewis, Administrator, Unemployment Insurance Service, in which instructions were included to safeguard the expenditure of Federal funds and measures were suggested that assisted agencies in controlling Federal employees unemployment compensation benefit costs. The Central Intelligence Agency immediately established a set of procedures that followed the guidelines as provided by Mr. Lewis. We note that your outline is the same as the procedures we have been following since 1981. We will continue to follow these procedures as they have proven to be effective and we share your concern with regard to the effective administration of the UCFE Program.

Sincerely,



Executive Director

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OP/ESD/PE [redacted] (23 Jan 85)

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EXECUTIVE SECRETARIAT
ROUTING SLIP

TO:		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI		X		
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18	C/IPD/OIS				
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SUSPENSE		1200, 30 Jan 85			
		Date			

Remarks To 6: Please have response prepared for EXDIR Signature.

Executive Secretary
10 Jan 85
Date

U.S. Department of Labor

Assistant Secretary for
Employment and Training
Washington, D.C. 20210

Executive Registry

85- 105



8 JAN 1985

Mr. John N. McMahon
Deputy Director of Central Intelligence
Central Intelligence Agency
Washington, D.C. 20505

Dear Mr. McMahon:

The Department of Labor (DOL), Office of Inspector General, recently completed a "crossmatch" among several State employment security agencies (SESAs) to determine the number of Federal employees receiving unemployment compensation in apparent violation of Federal and State laws and to determine the amount of unemployment compensation received by these employees.

In this report, several instances were noted in which Federal agencies took an excessive amount of time in returning Forms ES-931, Request for Wage and Separation Information, to the SESAs. This appeared to have a significant impact in enabling Federal employees to receive unemployment benefit payments to which they were otherwise not entitled.

I have enclosed an outline of necessary steps that should be followed by all Federal agencies to minimize improper payments.


As overseer of the Unemployment Compensation for Federal Employees (UCFE) program, I strongly urge you to ensure that appropriate action is taken within your agency to see that these procedures are followed. Careful adherence to these procedures by agency personnel and management officials should substantially reduce the potential incidence of improper UCFE payments. Since these costs are now reflected in your operating budget, I am sure that you share our concern to minimize such problems.

Additionally, I request that you provide me with a status report, by January 31, 1985, including dates, as to the action(s) that have been or will be taken to enforce these requirements.



Thank you for your continued cooperation. If you or your staff have questions concerning this letter or the UCFE program in general, please contact Carolyn M. Golding, Director, Unemployment Insurance Service, on 376-6636, or Millie Enten on 376-7370.

Sincerely,

A handwritten signature in cursive script that reads "Frank C. Casillas".

FRANK C. CASILLAS
Assistant Secretary for
Employment and Training

Enclosures

UNEMPLOYMENT COMPENSATION FOR FEDERAL EMPLOYEES (UCFE) PROGRAM

Ensure that the following steps are enforced within your agency in accordance with the UCFE Instructions for Federal agencies:

SF-8, Notice to Employee About Unemployment Insurance

... Ensure that your agency's Standard Form 8 is properly completed:

- Line 1 - Your parent Federal agency name and code number
- Line 2 - Any component name or identification symbol
- Lines 3&4 - The complete address to which you want all forms pertaining to a claimant be sent. (In most cases, this is your payroll address; a few agencies use their personnel office address.)

... It is your personnel office's responsibility to hand each employee, separating for any reason, a completed SF-8 on or before his/her last day of work.

... Additionally, whoever hands the SF-8 to the separating employee, must explain the purposes of the form:

1. Tells of his/her right to file a claim as well as general information as to how, when, and where to file.
2. Tells the separating employee that he/she should bring the SF-8 to the UI office, if a claim is filed because it will help to expedite the claim. (The SF-8 provides SESA with the proper address to which all claimant forms should be sent.)

SF-52, Request for Personnel Action

... Special emphasis should be made within your agency to ensure that the information, especially concerning the reason for separation, is factual and complete starting with the completion of the SF-52.

... The information from the SF-52 is transferred to the SF-50, Personnel Action. It is at this point that your personnel staff should review the separating employee's personnel folder to ensure that all factual information concerning reason for separation is provided on the SF-50. The information provided on the SF-50 is then transcribed by your payroll or personnel staff onto Forms ES-931, Request for Wage and Separation Information, received from the State employment security agencies (SESAs). SESAs use this information in determining, under their State law, if the claimant will be entitled to benefits based on the reason for separation you provided along with wage information.

The information requested from the SESAs on Forms ES-931, is required to be completed and returned within 4 working days from the time it was received in your agency. If the information is not complete, and/or not received by the SESAs timely, the claimant could be found eligible to receive benefits based on the information he/she provided the SESA, and your agency would be held liable for all benefit payments paid to the claimant.

- ... Therefore, it is important to make sure that beginning with the SF-52, the process flows properly and timely. By providing complete information promptly, improper payments by SESAs will be minimized.
- ... Special care should also be noted in regard to the separating employee's entitlement to severance pay and/or annual leave lump sum payment.
- ... A separate space is provided for these amounts to be reported on all Forms ES-931 from States in which severance pay and/or annual leave lump sum payments have the effect of reducing the claimant's benefit amount or denying benefits until severance pay and/or annual leave lump sum payments have been exhausted.

Job Offers

- ... Another important requirement concerns job offers. At the time of "expiration of appointment" or "job abolishment", if your agency made a specific job offer to the employee and the employee refused the offer, this information should be provided to the appropriate SESA as part of the separation information on Form ES-931. This would include a brief description of the former job along with a brief description of the job offer including a comparison of salaries. The SESA has the responsibility of determining whether or not the job offer is "suitable". If a job offer is made subsequent to the return of a Form ES-931, your agency is required to notify the appropriate SESA by memo, including all pertinent information. All SESAs will deny UCFE benefits to claimants who receive a "suitable" job offer and refuse the offer.

Appeals

- ... Both the former employee and the Federal agency have the right to appeal a decision which appears to be incorrect in accordance with law.

- ... All SESAs send a notice of determination, if there is an issue, to the separating employer. Each SESAs' notice contains instructions as to how and when to file an appeal. The number of days in which you have to file an appeal differ in accordance with each State's law.
- ... All notices of determination are sent by the SESAs to the Federal agency address as indicated on the SF-8. The responsibility for reviewing the claimant files and initiating an appeal or attending a hearing, is that of your personnel office. Therefore, it is imperative that the payroll staff (if that is where all claims forms are to be sent as indicated on your SF-8) be instructed to send or bring all notices immediately to the personnel office without delay so that when the case warrants, an appeal can be filed within the allowable time. This also applies to a notice of hearing when the claimant files an appeal so that your personnel office can attend and present evidence at the hearing.
- ... When your agency files an appeal or attends a hearing initiated by the claimant, it is important that you present a well documented case along with a witness/es who has first hand knowledge of the case in order to support your agency's position.

Quarterly Billing Procedures

- ... Each quarter, the DOL sends a summary report of UCFE expenditures to all Federal agencies.

Additionally, SESAs send a detailed listing of UCFE benefits paid, directly to Federal agencies (to the name and address provided by each Federal agency).

The quarterly detail data report should be compared to your agency payroll information to determine whether the claimants listed on the UCFE billing are former employee of your agency.

Any discrepancies noted should be resolved between your agency and the appropriate UCFE State coordinator.

We strongly recommend that an additional check be made each quarter, to verify whether any of your employees received UCFE benefit payments for the same periods they were on your agency's payroll.

If during this verification process, your agency determines that any employees/former employees were receiving UCFE benefit payments during the same period they were on your payroll, this information should be referred immediately to the appropriate SESA for their action. Your agency should provide the SESA, in writing, with the name, SSN, and periods of employment for what appear to be concurrent weeks in which benefits were also reported to be paid. Your agency should also request the SESA to provide you with a report of their findings and action.

A annual summary report on each case referred to the SESA should be submitted to the DOL including any disciplinary action your agency may have taken or be considering.

The first such report is due to the DOL by September 30, 1985, Attn: TEUMI.